

FISCAL NOTE

HB 2589

February 20, 2000

SUMMARY OF BILL: Requires the Department of Human Services and Department of Childrens Services Standards Committee to recommend improved daycare standards including minimum qualification and training standards for staff, reductions in staff ratios, and enhanced enforcement procedures. Permits the Department of Human Services to pay an additional one dollar per week per child to daycare agencies that exceed standards. The bill also increases the current licensing fees for daycare centers and requires proof of insurance. Creates civil penalties for violations not to exceed \$1,000 for each violation and does not allow issuance of a new license after revocation license for 12 months.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$55,000

Increase State Expenditures - \$655,200/Permissive

Other Fiscal Impact - Increase Federal Expenditures:

\$1,164,800 if state implements reimbursement increase

Estimate assumes increased revenues from license fees that are doubled by the bill from the current amount.

If the Department of Human Services decides to increase reimbursement, as provided for in the bill, to daycare centers exceeding standards, such reimbursement would be estimated to result in an increase in expenditures of \$1,820,000, of which an estimated \$655,200 would be state and \$1,164,800 would be Federal.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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